

April 12, 2006

The Regular Meeting of the Rockingham County Board of Supervisors was held on Wednesday, April 12, 2006, at 2:00 p.m. at Broadway High School, Broadway, Virginia. The following members were present:

PABLO CUEVAS, Election District #1
CHARLES W. AHREND, Election District #2
DEE E. FLOYD, Election District #3
WILLIAM B. KYGER, JR., Election District #4
MICHAEL A. BREEDEN, Election District #5

Also present:

RICHARD CONNELLEE, Commissioner of the Revenue
DONALD W. FARLEY, Sheriff
L. TODD GARBER, Treasurer
MARSHA L. GARST, Commonwealth's Attorney

JOSEPH S. PAXTON, County Administrator
G. CHRIS BROWN, County Attorney
STEPHEN G. KING, Deputy County Administrator
JAMES L. ALLMENDINGER, Director of Finance
DONALD D. DRIVER, Director of Social Services District
WENDELL J. EBERLY, Director of Recreation & Facilities
WARREN G. HEIDT, Director of Public Works
KENNETH N. McNETT, Director of Court Services
FRANKLIN P. O'BYRNE, Director of Information Systems
STEPHEN R. RIDDLEBARGER, Director of Human Resources
DIANA C. STULTZ, Zoning Administrator
ROBERT A. SYMONS, Fire Chief
WILLIAM L. VAUGHN, Director of Community Development
DOTTIE L. BOWEN, Deputy Clerk
DONALD F. KOMARA, Resident Engineer
Virginia Department of Transportation

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CALL TO ORDER
PLEDGE OF ALLEGIANCE
INVOCATION.

Dr. Stephen Lehman, Principal, welcomed the Board to Broadway High School.

From 1:00 to 2:00 p.m., Supervisors Cuevas and Kyger spoke with the Broadway High School students about local government functions.

Chairman Breeden called the meeting to order at 2:00 p.m.

Broadway High School Senior Class Officers led the Pledge of Allegiance, and Chairman Breeden gave the Invocation.

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APPROVAL OF MINUTES.

On motion by Supervisor Ahrend, seconded by Supervisor Floyd and carried by a vote of 5 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - AYE; KYGER - AYE; the Board approved the Minutes of the Recessed and Regular Meetings held on March 22, 2006.

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CHANGE OF MEETING DATE.

On motion by Supervisor Ahrend, seconded by Supervisor Floyd and carried by a vote of 5 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - AYE; KYGER - AYE; the Board agreed to change the meeting date for the April 26 meeting to April 27, 2006. The meeting will begin at 6:00 p.m.

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TRANSPORTATION DEPARTMENT.

The Board heard Mr. Komara's report on the activities of the Transportation Department. He brought to the Board's attention several upcoming public meetings:

Environmental Review of proposed improvements to I-81 -Turner Ashby High School, April 19, 5:00 to 8:00 p.m. A display will be at the VDOT office on Rt. 11 North.

Primary Interstate and Urban Public Hearing - Staunton District office, Salem, May 9, 6:30 p.m.

Southeast Connector meeting - Spotswood High
School, May 11, 4:00 to 7:00 p.m.

In response to a question from Supervisor Cuevas, Mr. Komara advised that problems with the signal light on Springbrook Road were corrected.

Supervisor Floyd reported that the 40 MPH sign was down on Massanetta Springs Road and vehicles were going at much higher speeds. Mr. Komara advised that a study had been initiated and its results would dictate the speed, after which the signs would be replaced.

Supervisor Kyger asked about VDOT activity on Route 257 between Bridgewater and Mt. Crawford. Mr. Komara noted that several developments were going into that area. He agreed to investigate and advise Supervisor Kyger.

Supervisor Kyger asked how the Mt. Crawford Avenue project was progressing. Mr. Komara advised that seed money was available for design work.

Supervisor Kyger asked if there was any way to expand the parking spaces at the park and ride facility on the old part of Route 257. Mr. Komara will investigate.

Chairman Breeden pointed out that the moving of the Coors fermentation tanks went very smoothly.

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**NATIONAL ASSOCIATION OF COUNTIES DISCOUNT PRESCRIPTION DRUG
CARD PROGRAM.**

The Board heard a staff presentation concerning implementation of the NACo Discount Prescription Drug Card Program, which provides free drug prescription cards that offer an average savings of 20 percent off the retail price of commonly-prescribed drugs for residents who are not covered by a drug prescription plan and, in cases where drugs are not covered by a health plan, to insured residents as well. Cards will be made available at the Administration Center and at a number of other sites around the County.

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SHENANDOAH RESOURCE CONSERVATION AND DEVELOPMENT COUNCIL.

Without objection, the Board agreed that Supervisor Ahrend and Community Development Director Vaughn would represent the County on the Shenandoah Resource Conservation and Development Council.

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COUNTY ADMINISTRATOR'S STAFF REPORT.

The Board received and reviewed Mr. Paxton's staff report dated April 6, 2006, including information concerning his activities since the last meeting, water contract with the City, the Prescription Drug Card Program, and landfill activities.

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COUNTY ATTORNEY'S STAFF REPORT.

The Board received and reviewed Mr. Brown's staff report dated April 7, 2006, concerning legal matters.

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DEPUTY COUNTY ADMINISTRATOR'S STAFF REPORT.

The Board received and reviewed Mr. King's staff report dated April 7, 2006, including information concerning the progress at the Technological and Industrial Park (August or September likely completion date for construction along Route 11) and German River Project stream repairs.

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PUBLIC WORKS DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Heidt's staff report dated April 12, 2006, including information concerning schedule for Penn Laird Drive and Water Tower Road sewer (waiting for USDA authorization to advertise project); McGaheysville WWTP (DEQ meetings scheduled during this month); Phase III Landfill extension (on schedule for bidding in June); Grassy Creek tank (completion of electrical and telemetry work in progress); Three Springs Water system analysis (final report expected in May); Pleasant Run Interceptor (ready to submit to DEQ); Lilly Gardens (VDH working on consent agreement); City of Harrisonburg Waste to Energy Plant; and Solid Waste Ordinance changes (went into effect on April 1 without incident).

On motion by Supervisor Cuevas, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - AYE; KYGER - AYE; as recommended by the Public Works Committee, the Board awarded a contract in the amount of \$30,737 for concrete and paving at the Mauzy container site to the low bidder, Partners Excavating.

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COMMUNITY DEVELOPMENT DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Vaughn's staff report dated April 12, 2006, including information concerning Planning Commission activities; Cross Keys-Port Republic Cluster Group activities; priority projects underway; tabled requests; and upcoming requests.

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INFORMATION SYSTEMS DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. O'Byrne's staff report dated April 6, 2006, including information concerning the Remote Access Server (file server has arrived and has been installed on the County's network); Document Imaging Project (RFP's for software system will be sent to prospective vendors in the next two weeks); Circuit Courthouse Deed Room Project (June installation schedule being prepared); Web Site Development Project (other Intranet sites to be explored); Web-based Firehouse Software Implementation (project completed); Reassessment (to conclude in early May); Information Systems Department Computers (desktop computers in IS Department being replaced).

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FIRE AND RESCUE CHIEF'S STAFF REPORT.

The Board received and reviewed Chief Symons' staff report dated April 4, 2006, including information concerning activities in Training Division, Prevention Division, and Public Education.

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RECREATION AND FACILITIES DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Eberly's staff report dated April 6, 2006, including information concerning painting and replacement of carpet and tile at the Jail, Human Services and the Court House; an Energy Management Plan being prepared for an RFP to be sent out next week; recreation programs; Kids Trout Fishing Day (April 22 at Silver Lake in Dayton); and funding requests from Briery Branch Community Club, Inc., and Grottoes Little League.

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HARRISONBURG-ROCKINGHAM REGIONAL SEWER AUTHORITY.

On motion by Supervisor Kyger, seconded by Supervisor Cuevas and carried by a vote of 5 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - AYE; KYGER - AYE; the Board reappointed Warren Heidt, as member, Stephen G. King, as alternate, to the Harrisonburg-Rockingham Regional Sewer Authority for four-year terms expiring on July 14, 2010.

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CLOSED MEETING.

On motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by the following vote: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - AYE; and KYGER - AYE; the Board recessed the meeting from 3:20 to 3:56 p.m., in accordance with State Code Section 2.2-3711(A)(7) consultation with staff and legal counsel.

At 3:56 p.m., Chairman Breeden called the meeting back to order and the following motion was adopted.

MOTION: SUPERVISOR KYGER RESOLUTION NO: X06-07
SECOND: SUPERVISOR AHREND MEETING DATE: APRIL 12, 2006

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Rockingham County Board of Supervisors has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board of Supervisors that such Closed Meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Rockingham County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Board of Supervisors.

VOTE:

AYES: AHREND, BREEDEN, CUEVAS, FLOYD, KYGER

NAYS: NONE

ABSENT: NONE

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AWARD OF BID FOR AUTOMOBILE FOR COMMUNITY DEVELOPMENT DEPARTMENT.

On motion by Supervisor Kyger, seconded by Supervisor Floyd and carried by a vote of 5 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - AYE; KYGER - AYE; the Board awarded the bid for purchase of a 2005 Chevrolet Blazer 4X4 for the Community Development Department in the amount of \$18,900 to the low bidder, Dick Myers Chevrolet.

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RECESS FOR DINNER.

By unanimous consent, the meeting was recessed from 4:00 p.m. to 7:00 p.m. for dinner.

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PUBLIC HEARING - PROPOSED REAL PROPERTY TAX INCREASE.

At 7:00 p.m., Chairman Breeden declared the meeting open for a public hearing on the following proposal to increase property tax levies.

1. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by 45.3%.

2. Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total

assessed value of real estate with the exclusions mentioned above, would be \$.4828 per \$100 of assessed value. This rate will be known as the "lowered tax rate".

3. Effective Rate Increase: The County of Rockingham proposes to adopt a tax rate of \$.58 per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$.0972 per \$100, or 20.1%. This difference will be known as the "effective tax rate increase."

Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

4. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the proposed total budget of Rockingham County will exceed last year's by 2.07%.

Administrator Paxton made a presentation, explaining the reason for the proposed tax increase. He noted that the State law sets the process, requiring that a hearing on the proposed tax rate be held first and a hearing on the budget second. He pointed out that it was difficult to discuss one without the other. He stated that Article X, Section 2, of the Constitution of Virginia requires that all assessments of real estate be at fair market value and that, in counties, a general reassessment is required every four years unless the population is less than 50,000; then the county can reassess every fifth or sixth year. He pointed out that counties can reassess annually or every two years. He stated that failure to comply with the state law would result in loss of direct state funding from ABC profits and would impact on the composite index for school funding, less school funding from the state. He advised that the Board of Equalization was presently holding hearings and would release findings to those who have appealed. He noted that there was still time to appeal and stated that, so far, about 210 people have had hearings before the Board of Equalization. He stated that the proposed rate for 2006 was 58 cents per \$100 of fair market value of real estate; the current rate is 71 cents. He pointed out an exception to the fair market value is farm, forest and open space land where a portion of taxes can be deferred under the land use assessment program. He compared the assessment impact on residential property, noting that from 2002 through 2005, the average fair market value of residential property in the County was \$135,306 and, effective January 1, 2006, that value increased to \$196,671, or 45.3 percent. He reminded those present that the value of their homes would not change again for four years unless an addition or renovation was made to the home or a significant property loss occurred due to fire, flood, etc. He announced that the Board had increased the amounts that a person could earn and the amount of wealth a person could have and still qualify for Tax Relief for the Elderly and Disabled and noted that the deadline for applying for such relief was extended to April 30, 2006. He suggested that property owners contact the Commissioner of Revenue to determine if their land qualifies under the Land Use Program. He reviewed the changes in the budget approved

for the current fiscal year and the proposed budget for the coming year.

Brisco Dellinger, member of the Board of Equalization, retired 37-year employee in the Commissioner of the Revenue Office and former Commissioner of the Revenue, spoke in opposition to the proposed 58 cent proposed rate. He pointed out that the Virginia Code states that, when the reassessment is done, the local governing body shall set a tax rate to generate not more than one percent revenue than the previous year less new construction unless a special rate hearing is held; and the special rate hearing was the one being held. He stated that the value of the property was not the "culprit," that the value times the rate does not equal the tax but the rate times the value. He stated that, since 1997 when the first general assessment was done by the Commissioner of Revenue Office rather than by a contracted appraiser, the County had saved approximately \$350 thousand a year. In spite of the savings, he said he did not believe the County was appropriately staffing the Commissioner of the Revenue Office. He pointed out that the County has had a substantial increase in revenue each year, and he did not believe a 58 cent rate was necessary. He noted that a 53 cent rate would be a 5 cent increase.

Richard McGregor objected to the amount of tax he has to pay on his home and recreational vehicle. He pointed out that the RV is only on the road a month or two out of the year. He expressed concern that at the same time other necessary items such as gasoline are increasing at a tremendous rate, taxes were going "out of sight." He noted that he was retired, was on a fixed income and was being "taxed to death."

Harold Roberts noted that it had been said that the tax increase was "driven by service demand." He expressed concern about who was demanding the services and said he "preferred to be left alone." He questioned whether the public hearing was of any value or whether the decision had already been made by the Board members. He urged the Board to "turn a deaf ear" to those who were requesting additional funding and to lower the tax rate.

Joe France said he was concerned about the demands on the County created by the growth in residential housing. He pointed out that the additional tax revenue from new houses did not pay for the increased services resulting in such new construction. He did not agree that the answer to this challenge would be industrial and commercial growth as that would only increase the need for housing for the people employed by these facilities. He said he believed that the growth going on in the County was "destroying the very things the County is noted for: the beauty of its landscape, the serenity" of the environment, "the very things people come here to find." He said since the developers, "who take their profits and move on," are the only winners in the growth that is taking place, the developers should be the ones who bear the burden of the additional services required and not the homeowners who have lived in the community for many years.

Roy Smith said his assessment went from \$108,700 to \$199,000, almost double. He said people in "rich houses"

lived on the other end of his road, and last year VDOT paved part way to his house on each end of the road but left his section of the road unpaved. He believed the road should at least be paved if his house was worth \$199,000.

Ernest Lincoln said his assessment went from \$164,100 to \$232,700. He said his tax would increase 16 percent, but his pay would not. With the rising cost of taxes along with necessities such as groceries, gas, etc., he said he would never be able to retire. He said he thought 53 cents was "plenty."

Mike Gray objected to information containing social security numbers being made available on line by the Circuit Court Clerk's Office. He also said the tax assessments were "way out of line." He said he thought the County was playing "catch up" from the previous reassessment and noted that the housing market was "cooling off" so that the County would end up with houses assessed higher than they are valued. He said he believed in paying his equal share but he felt the County was starting to "overburden" the residents. He asked where citizens were supposed to get the money to pay for the increase in taxes since employers were not going to increase salaries to the percentage the taxes would increase.

Lareth May said the proposed 58 cents was too high and suggested 50 cents would be more equitable.

Bettie Layman said she lived on her social security income and a part-time job, and she could not afford to pay the increasing taxes. She pointed out that senior citizens are paying higher prices for fuel, gasoline, and other necessities and, unless some change was made, they would not be able to live out their retirement years.

Gary Kirkey said he understood that legally the County could increase taxes on property that had not been improved, but he did not see a rational basis for doing so.

J.L. Hopkins said the man who had been renting his dairy farm for 23 years had to go out of business because he could not afford to comply with the Department of Environmental Quality regulations. He said there was no way for him to afford to pay the taxes on land that he could not rent out, and he wondered where the money was going to come from. He believed the County had done a good job in providing services in spite of the mandates put on by the state and federal governments, but he questioned where the citizens would get the money to pay increased taxes.

Debbie Clutteur said the developers should have to pay the costs for increased services needed for the new developments coming into the County. She said she was very concerned about the "farmland that has been changed to residential and commercial."

Philip Corbo said he moved to the County from New Jersey four years ago and the high taxes "followed" him. He pointed out that the high values have no meaning unless the homeowner is trying to sell his property. He said the Board was "taking advantage of an increase in property

values to sneak in a large increase in taxes." He noted that a "rate of 40 or 50 cents should be enough."

Shawn Graver questioned whether his "tax dollars are being used for what they say they're being used for or just being given with no return to us."

Bill Groseclose said the tax rate was needed to meet the service requirements of the County, noting that no one would be able to do without the services provided by the schools and by emergency services. He said he thought the Board had been "very conservative" in its spending.

Carolyn Mauck said the Board should spread the tax increase over the next four years and cut the budget across the Board by one percent.

John Long said the Board was "letting developers come in here and change agricultural land to a bedroom community for Northern Virginia and D.C." He said his land was increased by 84 percent and the buildings by 30 percent. He said the Board should "make the developers pay for this stuff and give the citizens a rate of 48 cents."

Mary Beth Holbrook, Spotswood High School student, said she hoped the money would be used to improve schools if there is a surplus. She thanked the Board for its support of the school system.

At 9:38 p.m., Chairman Breeden closed the public hearing and called the regular meeting back to order.

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PUBLIC HEARING - PROPOSED BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2006, and PROPOSED TAX RATES FOR THE CALENDAR YEAR 2006.

At 9:40 p.m., Chairman Breeden declared the meeting open for a public hearing on the Proposed Budget for the Fiscal Year commencing July 1, 2006, and Proposed Tax Rates for the Calendar Year 2006, as follows.

EXPENDITURES

| | BUDGETED FY 05-06 | PROPOSED FY 06-07 |
|-----------------------------------|------------------------------|------------------------------|
| <u>GENERAL FUND</u> | | |
| General Government Administration | \$ 5,012,680 | \$ 5,088,987 |
| Judicial Administration | 3,068,926 | 3,040,637 |
| Public Safety | 15,491,426 | 16,490,383 |
| Public Works | 1,448,159 | 1,719,574 |
| Human Services | 1,319,185 | 1,375,126 |
| Parks, Recreation & Cultural | 1,920,460 | 2,011,725 |
| Community Development | 2,161,378 | 2,174,622 |
| Contributions | 707,235 | 375,644 |
| Contingency | 281,433 | 500,000 |
| Other Expenses | 65,000 | 65,000 |

| | | |
|---------------------------------------|----------------------|----------------------|
| Transfers to Other Funds | 52,671,529 | 51,618,183 |
| Debt Service - County | 571,369 | 571,413 |
| Debt Service - Schools | <u>13,388,277</u> | <u>6,018,649</u> |
| TOTAL - GENERAL FUND | <u>\$ 98,107,057</u> | <u>\$ 91,049,943</u> |
| Capital Projects Fund | \$ 8,281,899 | \$ 8,574,000 |
| School Capital Projects Fund | 10,706,500 | 13,400,000 |
| School Fund | 95,422,153 | 103,967,838 |
| School Cafeteria Fund | 3,978,025 | 4,163,373 |
| School Textbook Fund | 760,373 | 1,160,000 |
| Massanutten Technical Center Fund | 4,737,838 | 4,785,213 |
| E911 Communications Fund | 8,398,090 | 1,801,113 |
| Asset Forfeiture Fund | 80,000 | 81,800 |
| Harrisonburg-Rockingham Soc Serv Dist | 17,693,523 | 18,579,580 |
| Central Stores Fund | 35,000 | 44,000 |
| Utilities Fund | 4,052,350 | 8,206,600 |
| Lilly Subdivision Sanitary District | 27,830 | 835,955 |
| Smith Creek Water & Wastewater Auth | 258,105 | 268,412 |
| Countryside Sanitary District | 125,925 | 22,896 |
| Penn Laird Sewer Authority | 1,043,800 | 437,696 |
| Solid Waste Fund | 3,545,773 | 5,193,867 |
| Human Resources Rental Fund | <u>233,672</u> | <u>233,672</u> |
| TOTAL EXPENDITURES | <u>\$257,487,913</u> | <u>\$262,805,958</u> |

REVENUES

| | BUDGETED FY 05-06 | PROPOSED FY 06-07 |
|---------------------------------------|----------------------|----------------------|
| GENERAL FUND | | |
| General Property Taxes | \$ 46,165,000 | \$ 50,825,000 |
| Other Local Taxes | 7,594,000 | 8,635,900 |
| Other Local Revenue | 6,067,452 | 7,265,007 |
| State Revenue | 14,642,685 | 14,764,181 |
| Federal Revenue | 1,406,209 | 710,856 |
| Proceeds from Indebtedness | 9,922,832 | 0 |
| Balance Carried Forward | <u>12,308,879</u> | <u>8,848,999</u> |
| TOTAL GENERAL FUND | <u>\$ 98,107,057</u> | <u>\$ 91,049,943</u> |
| Capital Projects Fund | \$ 8,281,899 | \$ 8,574,000 |
| School Capital Projects Fund | 10,706,500 | 13,400,000 |
| School Fund | 95,422,153 | 103,967,838 |
| School Cafeteria Fund | 3,978,025 | 4,163,373 |
| School Textbook Fund | 760,373 | 1,160,000 |
| Massanutten Technical Center | 4,737,838 | 4,785,213 |
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| Penn Laird Sewer Authority | 1,043,800 | 437,696 |
| Solid Waste Fund | 3,545,773 | 5,193,867 |
| Human Resources Rental Fund | <u>233,672</u> | <u>233,672</u> |
| TOTAL REVENUES | <u>\$257,487,913</u> | <u>\$262,805,958</u> |

PROPOSED TAX RATES

| Classification of Tax | Actual 2005 | Proposed 2006 |
|-------------------------------|----------------|------------------|
| Real Estate | \$0.71 | \$0.58 |
| Personal Property | 2.80 | 2.80 |
| Recreational Vehicles | 2.80 | 2.80 |
| Machinery & Tools | 2.55 | 2.55 |
| Merchants Capital | 0.87 | 0.87 |
| Farm Machinery | 0.44 | 0.44 |
| Manufactured Home | 0.71 | 0.58 |
| Countryside Sanitary District | 0.43 | 0.29 |

All property tax levies are per one hundred dollars of assessed value at fair market rate, except merchants' capital which is based on 67% of fair market value. Property tax levies are effective January 1.

| | |
|--------------------|----------------------|
| Actual FY 05-06 | Proposed FY 06-07 |
|--------------------|----------------------|

E-911 Telephone

\$3.00

\$3.00

E-911 tax is levied per subscriber line.

Administrator Paxton reviewed the proposals. He noted that the state increased the number of attorneys and support staff by four, due to the caseload in the Commonwealth's Attorney's Office. In the area of law enforcement and corrections, he pointed out that two additional correction officers were added due to the increase in locally responsible prisoners, possibly one additional road deputy due to population increase, replacement of service weapons and vehicle replacement. For Fire and Rescue Services, he noted that six additional paid personnel were added to meet response needs, a second full-time EMS trainer was added, a teaching position at the Massanutten Technical School was added, there is need for additional office and storage space, and there was a drop of 10 percent in revenue from the Virginia Telecommunications Act. In the Community Development Department, he reported that the permit fees were increased to cover the cost of adding three positions to assist in inspecting new construction, there would be an investment of \$289,000 in technology to improve service and increase efficiency, better track development (limit or delay need for additional personnel in the future) and there is a need for additional office and storage space. He noted the addition of one custodian for Facilities Maintenance as well as maintenance projects for normal updates to existing facilities, the investigation of opportunities to save on electrical and heating costs and an addition to the County Government Center to meet space needs. He pointed out that six additional staff positions are required to meet increased case loads in Social Services and office/file storage space is needed. In the area of Utilities, he described (1) the Pleasant Run Interceptor which would serve existing and future development, including the Rockingham Memorial Hospital site, and reduce the load on the City of Harrisonburg line at an estimated cost of \$4,000,000; (2) upgrade the Harrisonburg-Rockingham Regional Sewer Authority to meet Chesapeake Bay standards with construction to start in 12 to 24 months and with an estimated County share of \$9,000,000; (3) the Penn Laird Sewer with \$200,000 County funds leverage, a \$460,000 grant and possibly a low-interest loan; and (4) the McGaheysville Waste Water Treatment Plant upgrade which is estimated at \$3,400,000. In regard to the Solid Waste Fund budget, he pointed out that there were no significant changes in the operational budget, that design and regulatory expense continue to rise; that tipping fees are proposed to increase to \$38 per ton effective September 1, 2007, and \$41 per ton in September 2008; and that attempts are being made to minimize consumption by using a posi-shell as cover material instead of soil; by using heavier machinery to achieve greater compaction; by increasing the removal of recyclables, construction debris and wood waste from going into the landfill; and by increasing the quality and volume of burnable waste going to the City facility. He reviewed the historical trends in expenditures and revenue in the General Fund, both of which have gone from less than \$20 million to approximately \$70 million. He discussed large construction projects currently underway in the County, including construction of a brewery at Coors, new product

lines at Morningstar Foods, the Wal-Mart Distribution Center which opened in March, and the large amount of residential expansion. He noted that, "with all of this economic activity, things should really be going well for the County," but without an approved state budget, uncertainty about state revenue means more local tax revenue is required, making it difficult for the County to be provided with long-term stability. In regard to capital needs, he noted that improvements are underway to Pence and Hillyard Middle Schools and to Plains Elementary School, with new elementary schools planned for the Elkton area and East Rockingham in the near future, as well as renovations to Ottobine Elementary School. He advised that potential future school projects include a new east side high school, an addition to Lacey Spring Elementary and Broadway High Schools, and renovations to John C. Meyers and John Wayland Elementary Schools. He reviewed projects underway or pending, including the Emergency Communications System, the Technology and Industrial Park, the Chesapeake Bay compliance upgrade, Phase III of the Landfill, road improvements and expansion of the Human Services Building. He pointed out that these projects will have a significant impact on the proposed budget because the County has a policy of "pay as you go" for many capital projects, because the County continues to have a large number of projects, and because the County will draw on reserve funds to meet the needs. He noted that the Fund Reserve provides financial security against loss of a revenue source, an economic downturn, unanticipated expenditures required by natural disasters, uneven cash flow, large-scale capital expenditures and other non-reoccurring expenses. He pointed out that the request from the School Board for local funding for the coming year is proposed to increase approximately \$1,900,000 over the current year and that total proposed local funding for school operations is \$39,308,230 plus \$6,018,649 for debt service on school buildings. In planning for the potential school capital projects the Board has proposed increasing the set-aside for School capital reserve for 9.9 percent of property taxes collected to 10.3 percent, which equals 6 cents of the 58 cent rate. After reviewing the expenditure changes in the General Fund from the current year to the proposed budget, he listed revenue proposals: increased fees for court services, water and sewer connections, landfill tipping and building permits as well as an average increase of 18 percent in real estate taxes. In regard to personal property taxes, he noted that the state froze the amount of tax credit returned to local governments, that the Board of Supervisors elected to continue to allow 100 percent credit for vehicles valued at less than \$1,000, and that all other taxpayers that receive the credit will only receive a 63 percent credit, a reduction of 10 percent. He reviewed the changes in revenue structure, distribution of local tax dollars, and the allocation of various funds.

Bonnie Paul, speaking on behalf of the Dayton Heritage center and Genealogy Collection, Harrisonburg-Rockingham Historical Society, reviewed the following budget request.

The Board of the Society respectfully requests approval of the budget request of Ten Thousand Dollars (\$10,000) to supplement operating expenses.

Government support of those institutions which educate our citizens such as the public schools, museums and public libraries is already a precedent in the Commonwealth of Virginia, both at a state and a local level. For instance, the State supports the Virginia Historical Society located in Richmond, Virginia. Public libraries operated by private non-profit organizations are supported by funds from the General Assembly of Virginia and local governments. Such is the case with our own Massanutten Regional Library funded by the County and the City.

The Heritage Center in Dayton, Virginia, is essentially a public library because it is a public historical library. The Center houses not just books and documents but also real artifacts or "old things" actually made and used by generations of our Valley inhabitants. The Heritage Center is a non-profit organization that offers a significant public service. It is growing and bustling with energy and creativity, all to share with our citizens, but its operations require government support.

Just as local government support is appropriate for public libraries, it is appropriate for public historical libraries and museums. It is with this precedent in mind that the Board of the Society requests significant funding for its operations.

The Heritage Center and Genealogy Collection located in Dayton consists of an estimated 12,000 square feet of buildings. The older home that houses the antique collection was donated. The new buildings, designed to look like a Valley homestead with barn, features a two-story house with an expansive addition that was built all with private funds.

Exhibit Hall of about 6,000 square feet includes a large storage area and offices. The permanent collection of local artifacts, including clothing, books, medical supplies and Civil War memorabilia is stored and on display here as well as all special exhibits. Many of the local people share their own history by loaning their own historical items for special exhibits.

Map of Stonewall Jackson's Valley Campaign has been updated with modern technology. With full background music and professional commentary, it is the Number One spot to begin an overview of Valley history.

Book Store and gift shop features genealogy, history and crafts of artists and artisans of the local area only. The extensive genealogy collection is housed on the second floor, used by locals and visitors alike.

Lecture Hall, about 1500 square feet, features the Museum's presentations and also serves as a meeting place for local organizations. Often the museum is opened for tours by groups who engage the Flail. The Heritage Center presents special programs for groups as well.

The Cromer-Trumbo House at the corner which holds the

antique collection.

There are plans for expansion specifically to provide a connector between the genealogy house and the museum with increased exhibit space.

In the Rockingham County Court House, volunteers from the Society are preserving and documenting old records. They have been copying over and organizing the historical records into usable form. There are very important records there which need attention. Some volunteers are professionals and have trained others as semi-professionals to do this work.

Volunteers are taking photographs of the collections to preserve the information; continuing to catalogue the collection, clean and conserve the Civil War artifacts and all items in the collection.

Books on the collections have been published by the Society. Many of the members devote themselves to specialized publications available to the public.

Work in progress includes compiling the 1902 Voter lists and continued Cemetery listings (available on the Internet). Obituaries from the 1800's are in a data base. The Society brings modern technology to make its work available to the public.

A Speaker's Bureau of volunteers is available for programs at the Lecture Hall and at the public schools on topics such as the local Indians, early preservation of food, or how to trace genealogy.

The Center is available for visits by the public school classes and those that home school as well. Even a class from JMU is coming out.

The Museum and Genealogy Collection is open to the public Monday through Saturday from 10 a.m. to 4 p.m. One full-time Curator and three part-time employees are assisted by teams of volunteers to accomplish all the programs of this Heritage Center. And the budget is modest because of the volunteer effort. Except for mowing, even the buildings and grounds are maintained by volunteers.

The operations are paid for by about 1,200 members paying dues and making donations. The entrance fee is \$5 (this barely keeps the lights on!). School groups, college students and Scout troops are not charged.

The Historical Society is not a group of people with their heads in history books. The Heritage Center is a living experience - constantly inquiring, constantly building, and constantly gathering and preserving, and constantly expanding in communication.

There is an obvious economic benefit to the County because of the activities of the Heritage Center such as visitors and tourists. We know that amenities like libraries and museums are enriching to the lives of the people who live here.

The more important benefit, however, is the investment in our heritage. Perhaps this is more difficult to measure in current dollars, but like the investment in the education system and the public library, we make that investment because we know the value of education and history.

We of the Board of the Society trust that the Board of Supervisors of Rockingham County will accept the obligation to contribute significantly to fund the operations of the Heritage Center.

Larry Bowers also spoke on behalf of the Historical Society, advising that County citizens could be proud of the Society's work. He invited everyone to go to Dayton and see the museum. He pointed out that over 100 years ago, County citizens "had the foresight to form the Society" so that today's County citizens could enjoy the results of that earlier work. He said he hoped the County would "share in the foresight of the leaders of 100 years ago."

Johnathan Kibler, Chief, Elkton Volunteer Fire Company, noted that last year in March, during the budget review cycle, it was brought to the County's attention "current inequities in the way volunteer fire and rescue agencies were funded." He pointed out that the current system was developed over 10 years ago and "has been modified due to growth and special interests." He said that the current system provided funding at "inconsistent levels" to each agency. He noted, for example, that Singers Glen Rescue Squad currently received \$13.05 per capita while Harrisonburg Rescue received \$1.75 per capita. He pointed out "similar inequities" on the fire side as well, such as Singers Glen \$15.36, Grottoes \$6.36, Elkton \$3.23 Bridgewater \$2.57 per capita. In reviewing past efforts, he noted that a small group consisting of the three agency Chiefs, the Deputy County Administrator, the Director of Finance, and both Chiefs of Fire and Rescue met in April 2005 "to discuss how to properly fund the volunteer agencies." He said that "no further action was taken until 2006" and that "as the current budget approached and after extensive research," he presented a proposal to the Department of Fire and Rescue...and utilizing feedback from the Finance Committee Chief Symons, Deputy Chief Bennett and [himself] finalized a proposal which was forwarded on to the administration for consideration." He expressed concern that "under the current proposed budget, the funding contribution formula remains status quo with a 4% increase." He said that this increase only compounds the current inequities and he noted that "we have been patient for a year and the system has failed us." He pointed out that the Elkton Volunteer Fire Company expends a minimum of 55 man hours per week raising funds and noted that "most weeks this total far exceeds the number of man hours spent answering emergency calls." He reminded the Board that the cost of fire apparatus, personal protective equipment and fuel continue to increase at rates which exceed the ability to raise funds." He said the organization was unable to commit any more manpower to fundraising while maintaining properly trained and equipped firefighters." He advised

that, according to a calculator developed by the National Volunteer Fire Council, the Elkton Volunteer Fire Company provided over 3.8 million dollars worth of savings versus a comparably staffed career department. He asked that the Board re-consider the current funding of the emergency services agencies as they could not "afford to wait another year." He expressed concern that the proposed budget had "once again failed to fund a full time volunteer coordinators position which has been vacant for two years at a part-time level" and he noted that "this year it appears the funding for the position has been removed completely from the budget." He pointed out that the ESOA and the Firefighters Association has continually requested that this position be filled.

Paul Lavigne, Executive Director, Valley Program for Aging Services, reminded the Board that VPAS has been providing a variety of services to the County since 1974, to residents 60 years of age and older and to their caregivers. He pointed out that the services are designed to help them maintain their independence in their own homes and communities for as long as possible. He introduced Dr. Nancy O'Hare and Cathie Galvin, members of the VPAS Board of Directors representing Rockingham County. He reported that for the fiscal year ending in September 2005, VPAS provided direct services to 430 County residents, 35 percent of the more than 12,000 residents 60 years of age and older, not including the information and referral services provided on an ongoing basis. He pointed out that there has been a major change in Medicare with the addition of a new prescription drug program and advised that VPAS has been "overwhelmed with requests for assistance from older persons and their families." He estimated that VPAS had approximately 2,000 additional calls and requests for individualized assistance. He noted that VPAS had provided nearly \$337,000 in direct services to older Rockingham residents, with the County's financial contribution of \$50,000 representing 14.8 percent of that amount so that "for each dollar contributed by the County, VPAS was able to obtain an additional \$6.64 in federal, state and other monies to provide needed services." He pointed out that VPAS operates three senior centers that serve County residents, two in the County, the East Rockingham Senior Center at the Mill Creek Ruritan Hall in Cross Keys and the Broadway-Timberville Senior Center in Plains District Community Center, and Price Rotary Senior Center in Harrisonburg. He reported that VPAS would provide over 4,300 meals in the senior centers and also provided 24,012 Meals on Wheels for homebound individuals in fiscal 2005, with an expected increase of 9 percent to 26,189 for 2006. He noted that the proposed budget would increase the County support to \$60,000. He expressed concern that, because spending exceeded revenue in the Harrisonburg/Rockingham region, VPAS was forced to limit services and establish waiting lists. He pointed out that the proposed budget increase would "put VPAS on solid footing to address a growing need for services with an increasing older population."

Marsha Garst, Commonwealth's Attorney, noted that the Commonwealth's Attorney's office had not been able to count on the state government to provide the services that needed to be provided. She stated that in the past, due to a

state budget impasse, her office would have had to furlough employees or dismiss cases, but the Board of Supervisors "stepped forwarded and helped." She noted that caseloads have increased by 5,500 cases a year and the related costs of office supplies, fringe benefits, etc., have increased accordingly. She pointed out that, if the Board had not assisted in the budget for the Commonwealth's Attorney's office, the staff would have had to choose among the cases it could prosecute. She thanked the Board for its continued support.

Harold Roberts objected to tax dollars being used for so many endeavors. He pointed out that Mount Vernon, "a huge endeavor," refuses to accept any government funds. He said, "If people think something is important, they will support it." He questioned "every citizen in the County having to support the school system whether they have children or not." He described the local budget as "socialistic" and suggested the Board "get things under control."

John Kidd, School Superintendent, told the Board that the County "spends an average amount of money for an educational system" that "turns out a good product" and supports a school system that is recognized throughout the state for its educational accomplishments. He thanked the Board for its past and present support.

Wayne Smith, Society for Port Republic Preservationists, Reiterated a request made at a previous Board meeting, for County financial assistance in moving and restoring a Civil War era log structure which is presently located outside the Port Republic village and which is "deteriorating rapidly."

Sheriff Donald Farley thanked the Board for its assistance in helping to maintain an adequate law enforcement staff.

Don Driver, Director of Social Services, reviewed the large increases in social services caseloads and the factors that have contributed to the need for an increase in local funding. He thanked the Board for the support it has given over the years.

Will Bascom, Chief, Hose Company No. 4, noted that his company has been serving the County for 116 years. He reviewed various factors that have increased the funding needs of emergency services, including large projects under construction, and pointed out that last year's expenses were \$243,000, with a County contribution of \$51,000. He noted that the difference had to be funded from fund raisers and expressed concern that it was becoming increasingly difficult to recruit volunteers who did not want to spend a large amount of their time trying to raise funds throughout the community. He asked the Board to make the necessary changes to the funding formula with no further delay.

Walter Miller, Assistant Chief, Hose Company No. 4, pointed out that the company's budget has increased from \$80,000 20 years ago to over \$200,000. He said the company needed "more help" to deal with state mandates and the added costs to provide the services.

Daniel Fraser, Harrisonburg-Rockingham Free Clinic, thanked the Board for its past support. He noted that the Clinic has had a 10 percent increase in patients this year, and he reviewed the funding sources for the Clinic and noted the various services offered to those who cannot afford medical care.

Tim Smith, Director, Shenandoah Valley Juvenile Detention Center, advised that the Center accepts only court-ordered children, 80 percent of which are boys and 20 percent girls. He thanked the Board for its support.

Debbie Clutteur expressed concern that connection fees were not higher and that the County was "spending so much money on criminals sitting in jail."

Brisco Dellinger urged the Board to do away with the County decal requirement, noting that mailing of the forms costs the Treasurer's office \$40,000 to \$50,000 a year.

At 10:35, Chairman Breeden closed the public hearing and called the regular session back to order.

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ADJOURNMENT.

Chairman Breeden declared the meeting adjourned at 10:36 p.m.

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Chairman